

## Message Text

UNCLASSIFIED

PAGE 01 LA PAZ 08176 191954Z

66

ACTION ARA-10

INFO OCT-01 ISO-00 PA-02 PRS-01 USIA-15 AID-05 CIAE-00

COME-00 EB-07 FRB-01 INR-07 NSAE-00 TRSE-00 XMB-04

OPIC-06 SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 INT-05

/074 W

----- 080414

R 191900Z NOV 75

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 8792

INFO AMEMBASSY CARACAS

AMEMBASSY BOGOTA

AMEMBASSY LIMA

AMEMBASSY QUITO

AMEMBASSY SANTIAGO

UNCLAS LA PAZ 8176

E.O. 11652: N/A

TAGS: ECIN, BL

SUBJECT: 15TH MEETING OF BOARD OF DIRECTORS OF ANDEAN  
DEVELOPMENT CORPORATION

1. THE FIFTEENTH MEETING OF THE BOARD OF DIRECTORS OF THE ANDEAN DEVELOPMENT CORPORATION (CAF) WAS HELD AT COCHABAMBA NOVEMBER 11 TO 13 AND ACCORDING TO PRESS ACCOUNTS AND EMBASSY CONVERSATIONS WITH BOLIVIAN REPRESENTATIVES WHO ATTENDED, THE MEETING WAS GENERALLY CONSIDERED A SUCCESS. THE DIRECTORS REVIEWED THE POLICY AND DIRECTIONS THAT CAF SHOULD TAKE OVER THE COMING 5 YEARS AND APPROVED FOUR MAJOR POLICY DOCUMENTS; THE CAF PRESIDENT'S ANNUAL REPORT, A PAPER ON CAF'S ROLE IN THE NEXT STEPS OF THE ANDEAN INTERGRATION MOVEMENT, AND ADMINISTRATIVE RESTRUCTURING OF CAF, AND THE CONCLUDING ACT OF THE MEETING. DURING THE DIRECTORS MEETING BOLIVIA PROPOSED ITS CURRENT AMBASSADOR TO PERU, GENERAL JULIO SANJINES GOITIA, TO REPLACE RETIRING CAF PRESIDENT ADOLFO LINARES, ALSO A BOLIVIA, NO CONSENSUS WAS REACHED, HOWEVER, AND BOLIVIAN OFFICIALS INDICATE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LA PAZ 08176 191954Z

THAT AN INFORMAL MEETING WILL BE HELD BY ANDEAN PACT MEMBERS

IN GUAYAQUIL STARTING NOVEMBER 20 WHICH WILL CONSIDER THE ASSIGNMENT OF SENIOR POSITIONS IN THE ANDEAN PACT COMMISSION, THE ANDEA PACT JUNTA, AND CAF, WITH FORMAL SELECTION OF NEW POSITIONS TO OCCUR LATER IN 1975 OR EARLY 1976.

2. THE PRESIDENT OF CAF'S BOARD, VENEZUELA'S FRANCOIS MOANAKE, IN A SPEECH TO THE DIRECTORS SAID THAT CAF WOULD REQUIRE \$12 BILLION OVER THE 1976-1980 PERIOD TO FINANCE THE ANDEAN REGION'S DEVELOPMENT. TO MEET CAF'S FIVE-YEAR PROGRAM OF ACTION, HE SAID, WOULD REQUIRE INTENSIFIED COOPERATION WITH OTHER LATIN AMERICAN FINANCIAL INSTITUTIONS, A GREATER EFFORT TO TAP INTERNATIONAL CAPITAL MARKETS, INCLUDING PETRO-DOLLARS AND EURO-DOLLARS, AND STRENGTHENED RELATIONS BETWEEN CAF AND THE INDIVIDUAL MEMBER COUNTRIES WITH REGARD TO PLANNING, INTERGRATION AND FOREIGN COMMERCE. IN HIS ADDRESS TO THE MEETING, ADOLFO LINARES SAID THAT CAF HAD GAINED SUFFICIENT PROSPECTS TO OBTAIN INTERNATIONAL FINANCING AND THAT CONVERSATIONS WITH THE IBRD AND IDB HAD BEEN AUSPICIOUS AND INDICATED A GOOD POSSIBILITY OF OBTAINING THE NECESSARY FINANCING DURING THE NEXT FIVE YEARS.

3. ACCORDING TO THE PRESS, THE PAPER ON CAF'S ROLE IN THE ANDEAN INTEGRATION MOVEMENT INDICATES THAT BOLIVIA AND ECUADOR, THE REGION'S LEAST DEVELOPED MEMBERS, WILL CONTINUE TO RECEIVE PREFERENTIAL TREATMENT. IT ALSO PROPOSED THAT IN ADDITION TO FINANCING OF DEVELOPMENT PROJECTS, CAF SHOULD ALSO PLAY AN IMPORTANT ROLE IN NEGOTIATING WITH THIRD COUNTRIES, MOBILIZING RESOURCES, TRANSFER OF TECHNOLOGY, AND SUPPORTING THE EXCHANGE OF GOODS AND SERVICES IN THE REGION. IN A PRESS INTERVIEW, CHILE'S DIRECTOR, ROBERTO FRESAD, SAID AN IMPORTANT CONCERN OF THE MEETING WOULD BE ACHIEVING AN INCREASED PRESENCE BY CAF REPRESENTATIVES IN THE ANDEAN COMMISSION AND THE ANDEAN JUNTA IN ORDER TO IMPROVE COORDINATION BETWEEN THESE THREE ENTITIES.

4. MUCH OF THE PRESS COVERAGE IN LA PAZ WAS DEVOTED TO THE SIGNING OF \$35.7 MILLION IN CAF LOANS TO BOLIVIA, \$18.7 MILLION FOR A BENZENE/APHTHALENE PLANT, \$12 MILLION FOR A CEMENT PLANT AND \$5 MILLION FOR A PESTICIDE PLANT, AND THE APPROVAL BY THE BOARD OF AN ADDITIONAL \$6.7 MILLION; \$4.55 MILLION FOR

UNCLASSIFIED

PAGE 03 LA PAZ 08176 191954Z

A \$49 MILLION TIN SMELTER PROJECT, \$1.76 MILLION FOR FEASIBILITY STUDIES OF AN IRRIGATION/HYDROELECTRIC PROJECT AND \$0.4 MILLION FOR THE FINAL DESIGN OF A ROAD PROJECT.  
STEDMAN

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC INTEGRATION, MEETINGS, MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LAPAZ08176  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750403-0922  
**From:** LA PAZ  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751129/aaaaaznn.tel  
**Line Count:** 111  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 SEP 2003 by chicheje>; APPROVED <29 JAN 2004 by izenbei0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 15TH MEETING OF BOARD OF DIRECTORS OF ANDEAN DEVELOPMENT CORPORATION  
**TAGS:** ECIN, BL, CAF, ANCOM  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006